



# Financial Report Fiscal Year-to-Date As of March 2012

Report to the City Council

Prepared by City Treasurer – Finance and Accounting Division

April 27, 2012



## FINANCIAL REPORT YEAR-TO-DATE MARCH 2012

The following report is a summary of financial results for the City's General Fund (which is the primary operating fund of the City), the Transportation Fund, the major Enterprise Funds, the Fleet Fund and the Benefits Self-Insurance Fund. The report also includes detailed information on the City's privilege (sales) tax by major category.

Financial statements summarize sources and uses by major categories. Significant budget to actual variances are highlighted and explained. For FY 2009/10, revenues and expenses were reported on a cash basis: accrual of revenues and expenses were only done for year-end for publication in the City's Consolidated Annual Financial Report (CAFR). Beginning in FY 2010/11, revenues and expenses are reported on a modified accrual basis to better mirror the CAFR.

<u>Contents</u>	<u>Page</u>
General Fund .....	2
Transportation Fund .....	11
Enterprise Funds:	
Water and Water Reclamation Funds .....	14
Aviation Fund .....	17
Solid Waste Fund .....	20
Internal Service Funds:	
Fleet Fund .....	23
Benefits Self-Insurance Fund .....	26
Appendix 1: Privilege (Sales) & Use Tax Collections .....	29
Appendix 2: Glossary .....	33

### General Fund- Summary

<b>FY 2011/12 - GENERAL FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable/(Unfavorable)	
			Amount	Percent
Sources	\$230.2	\$230.2	\$0.0	0%
Uses	237.6	237.6	-	-
Change in Fund Balance	(\$7.4)	(\$7.4)	\$0.0	
Beginning Fund Balance	\$41.5	\$44.7	\$3.2	
Ending Fund Balance	\$34.0	\$37.3	\$3.2	
Reserved*	\$23.9	\$23.9	\$0.0	
Contingency	\$5.0	\$5.0	\$0.0	
Unreserved	\$5.2	\$8.4	\$3.2	

\*General Fund Reserved equals 10% of operating expenses for the General Fund plus Transportation Fund.

<b>March 2012: Current Month and YTD</b>						
(\$ in millions: Rounding differences may occur)						
	March Actual	March Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$18.2	\$17.8	\$171.2	\$165.0	\$6.3	4%
Uses	27.3	22.5	171.6	170.1	(1.5)	-1%
Change in Fund Balance	(\$9.1)	(\$4.7)	(\$0.4)	(\$5.1)	\$4.8	

## Sources

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
1.1% Sales Taxes	\$85.8	\$87.9	\$88.7	\$88.7
State-Shared Revenues	55.5	48.4	42.1	42.1
Property Taxes	23.3	24.6	25.0	25.0
Bed Taxes	7.1	13.1	12.2	12.2
Franchise Fees/In-Lieu Taxes	11.5	11.2	11.1	11.1
Charges for Services/Other	26.7	24.5	23.5	23.5
Building Permit Fees & Charges	6.9	6.9	8.4	8.4
Interest Earnings	2.1	1.2	0.4	0.4
Indirect Cost Allocation	13.3	13.9	8.2	8.2
Total Revenue	\$232.2	\$231.7	\$219.7	\$219.7
Transfers In	19.2 *	12.2	10.5	10.5
Total Sources	\$251.5 *	\$243.9	\$230.2	\$230.2
% Change vs. Prior Year	-8%	-3%	-6%	-6%

	One Month: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
1.1% Sales Taxes	\$7.1	\$7.6	\$7.7	\$7.6	\$0.1	2%	
State-Shared Revenues	4.8	4.0	3.5	3.7	(0.2)	-5%	
Property Taxes	1.0	1.0	1.1	1.1	-	-	
Bed Taxes	0.8	1.5	1.6	1.5	0.2	12%	
Franchise Fees/In-Lieu Taxes	-	-	-	-	-	-	
Charges for Services/Other	4.4	4.0	3.7	3.3	0.3	10%	
Building Permit Fees & Charges	0.6	0.5	0.6	0.7	(0.1)	-11%	
Interest Earnings	0.1	0.0	0.0	0.0	-	-	
Indirect Cost Allocation	1.3	1.1	0.7	0.7	-	-	
Total Revenue	\$18.2	\$18.1	\$17.6	\$17.2	\$0.4	2%	
Transfers In	0.7	0.6	0.6	0.6	-	-	
Total Sources	\$18.8	\$18.7	\$18.2	\$17.8	\$0.4	2%	
% Change vs. Prior Year		-1%	-3%	-5%			

	Fiscal Year-to-Date: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
1.1% Sales Taxes	\$64.3	\$64.2	\$67.5	\$65.4	\$2.2	3%	
State-Shared Revenues	42.0	36.1	31.9	31.9	(0.1)	0%	
Property Taxes	14.0	14.8	16.1	15.1	1.1	7%	
Bed Taxes	4.6	8.3	8.6	7.9	0.7	10%	
Franchise Fees/In-Lieu Taxes	8.8	7.7	7.9	7.7	0.2	3%	
Charges for Services/Other	17.8	17.6	18.3	16.4	1.9	11%	
Building Permit Fees & Charges	5.3	5.4	6.0	5.9	0.2	3%	
Interest Earnings	1.4	1.5	0.7	0.3	0.3	98%	
Indirect Cost Allocation	12.0	10.5	6.1	6.1	-	-	
Total Revenue	\$170.3	\$166.0	\$163.2	\$156.7	\$6.5	4%	
Transfers In	16.3 *	9.6	8.0	8.3	(0.2)	-3%	
Total Sources	\$186.6 *	\$175.6	\$171.2	\$165.0	\$6.3	4%	
% Change vs. Prior Year		-6%	-3%	-6%			

\*Includes \$9.0 million transferred temporarily from CIP.

### Sales Taxes

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
1.00% General Purpose Sales Tax	\$78.3	\$80.1	\$80.9	\$80.9
0.10% Public Safety Sales Tax	7.5	7.8	7.8	7.8
Total General Fund Sales Taxes	\$85.8	\$87.9	\$88.7	\$88.7
% Change vs. Prior Year	-10%	2%	1%	1%

	Fiscal Year-to-Date: March 2012				Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.00% General Purpose Sales Tax	\$58.7	\$58.5	\$61.6	\$59.6	\$2.0	3%
0.10% Public Safety Sales Tax	5.6	5.7	6.0	5.8	0.2	3%
Total General Fund Sales Taxes	\$64.3	\$64.2	\$67.5	\$65.4	\$2.2	3%
% Change vs. Prior Year		0%	5%	2%		

**Actual to Revised Budget variance of \$2.2 million or 3%:**

Local automotive sales have performed better than expected, as well as dealers adding lines to their inventories. Additionally, there have been large audit payments in the miscellaneous retail, rental, construction and license fee categories. See Appendix 1 for further information about results by sales tax categories.

### State-Shared Revenues

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
State Revenue Sharing	\$30.3	\$22.8	\$18.3	\$18.3
State Shared Sales Tax	17.3	17.8	16.4	16.4
Auto Lieu Tax	7.9	7.7	7.3	7.3
Total State Shared Revenues	\$55.5	\$48.4	\$42.1	\$42.1
% Change vs. Prior Year	-11%	-13%	-13%	-13%

	Fiscal Year-to-Date: March 2012				Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
State Revenue Sharing	\$22.7	\$17.1	\$13.8	\$13.8	-	-
State Shared Sales Tax	12.9	13.1	12.5	12.3	0.2	2%
Auto Lieu Tax	6.3	5.8	5.6	5.8	(0.2)	-4%
Total State Shared Revenues	\$42.0	\$36.1	\$31.9	\$31.9	(\$0.1)	0%
% Change vs. Prior Year		-14%	-12%	-12%		

**Actual to Revised Budget variance of (\$0.1) million or 0%:**

No explanation necessary.

### Property Taxes

**Actual to Revised Budget variance of \$1.1 million or 7%:**

The positive variance is a budget spread issue where collections are ahead of the projected budget.

### Bed Taxes

**Actual to Revised Budget variance of \$0.7 million or 10%:**

Tourism is continuing to show favorable activity, resulting in better than anticipated results in Bed Taxes.

### Franchise Fees and In-Lieu Taxes

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
			Adopted	Revised
	Actual	Actual	Budget	Budget
Electric and Gas Franchise	\$8.0	\$7.8	\$7.9	\$7.9
Cable TV License Fee	3.4	3.2	3.0	3.0
Salt River Project Lieu Tax	0.1	0.2	0.2	0.2
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$11.5</b>	<b>\$11.2</b>	<b>\$11.1</b>	<b>\$11.1</b>
% Change vs. Prior Year	0%	-2%	-1%	-1%

	Fiscal Year-to-Date: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)		
				Revised			
	Actual	Actual	Actual	Budget	Amount	Percent	
Electric and Gas Franchise	\$6.2	\$6.1	\$6.1	\$6.1	-	-	
Cable TV License Fee	2.6	1.4	1.7	1.5	0.2	12%	
Salt River Project Lieu Tax	0.1	0.2	0.1	0.1	-	-	
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$8.8</b>	<b>\$7.7</b>	<b>\$7.9</b>	<b>\$7.7</b>	<b>0.2</b>	<b>3%</b>	
% Change vs. Prior Year		-13%	3%	0%			

**Actual to Revised Budget variance of \$0.2 million or 3%:**

Cable TV gross revenues for the first quarter were higher than projected resulting in a favorable variance.

### Charges for Services/Other

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
<i>Licenses, Permits &amp; Fees</i>				
Recreation Fees	\$3.3	\$3.6	\$3.8	\$3.8
WestWorld	2.5	2.6	2.5	2.5
Fire Service Charges	1.8	0.8	0.4	0.4
Business Licenses & Fees	1.8	1.7	1.7	1.7
<i>Fines &amp; Forfeitures</i>				
Court Fines	7.5	4.3	5.2	5.2
Photo Enforcement Revenue	1.8	2.0	1.9	1.9
Parking Fines	0.3	0.3	0.2	0.2
Library Fines & Fees	0.4	0.4	0.4	0.4
<i>Miscellaneous</i>				
Stormwater Water Quality Charge	0.8	0.8	0.9	0.9
Property Rental	2.9	3.2	2.8	2.8
Intergovernmental Revenue	1.1	0.9	0.8	0.8
Miscellaneous	0.6	0.5	0.8	0.8
Reimbursements	2.1	3.4	1.8	1.8
<b>Total Charges for Services/Other</b>	<b>\$26.7</b>	<b>\$24.5</b>	<b>\$23.5</b>	<b>\$23.5</b>
<b>% Change vs. Prior Year</b>	<b>-2%</b>	<b>-8%</b>	<b>-4%</b>	<b>-4%</b>

	Fiscal Year-to-Date: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
<i>Licenses, Permits &amp; Fees</i>							
Recreation Fees	\$2.3	\$2.5	\$2.6	\$2.7	-	-	
WestWorld	1.5	1.6	1.6	1.5	0.1	6%	
Fire Service Charges	1.0	0.6	0.4	0.3	0.1	27%	
Business Licenses & Fees	1.5	1.5	1.5	1.5	-	-	
<i>Fines &amp; Forfeitures</i>							
Court Fines	5.6	3.2	3.3	3.8	(0.5)	-14%	
Photo Enforcement Revenue	1.3	1.5	1.6	1.4	0.2	16%	
Parking Fines	0.2	0.2	0.2	0.2	-	-	
Library Fines & Fees	0.2	0.3	0.3	0.3	(0.1)	-21%	
<i>Miscellaneous</i>							
Stormwater Water Quality Charge	0.6	0.6	0.6	0.7	-	-	
Property Rental	1.9	2.0	1.9	1.5	0.4	28%	
Intergovernmental Revenue	1.0	0.7	0.8	0.6	0.2	33%	
Miscellaneous	0.4	0.4	0.8	0.6	0.2	35%	
Reimbursements	0.2	2.4	2.6	1.3	1.3	94%	
<b>Total Charges for Services/Other</b>	<b>\$17.8</b>	<b>\$17.6</b>	<b>\$18.3</b>	<b>\$16.4</b>	<b>\$1.9</b>	<b>11%</b>	
<b>% Change vs. Prior Year</b>		<b>-1%</b>	<b>4%</b>	<b>-7%</b>			

**Actual to Revised Budget variance of \$1.9 million or 11%:**

Fines & Forfeitures:

Of the \$0.5 million unfavorable variance in Court Fines, \$0.4 million is the result of civil filings being down approximately 12 percent and \$0.1 million is the result of the Out of Jurisdiction Confinement Program Revenue not performing as aggressive as originally forecast. An increase in Photo Enforcement citations year to date, coupled with successful collections efforts is creating a positive variance of \$0.2 million in this category.

Miscellaneous:

The favorable variance in Property Rental is a timing issue and the result of advance billings for leases. In the Reimbursements category, \$0.7 million of the favorable variance is the result of a repayment of per diem charges that were incurred due to the Maricopa County Sheriff's Office spending of detention funding for non-detention related purposes for the period of FY 2004/05 - FY 2010/11; \$0.3 million of the favorable variance is attributed to increased Court Jail Fees and Public Defender Fees collections; \$0.1 million of the favorable variance is attributed to utilities reimbursements which were not budgeted; and \$0.2 million of the favorable variance is attributed to a reimbursement from Southwest Gas for a special election held in March 2012.

### Building Permit Fees and Charges

**Actual to Revised Budget variance of \$0.2 million or 3%:**

No explanation necessary.

### Interest Earnings

**Actual to Revised Budget variance of \$0.3 million or 98%:**

A high volume of investment trades to obtain better interest rates resulted in unbudgeted recognition of gains.

### Indirect Cost Allocations

**Actual to Revised Budget variance of \$0.0 million or 0%:**

No explanation necessary.

### Transfers In

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
CIP	\$9.0	\$3.6	\$0.9	\$0.9
Direct Cost Allocation - Fire	-	-	0.4	0.4
30 Day Tow	-	-	0.4	0.4
Fleet Transfer	-	-	1.0	1.0
Cultural Council	0.3	-	-	-
Community Services/Human Svcs	0.3	-	0.1	0.1
Enterprise In Lieu Franchise Fees	6.5	6.4	6.9	6.9
Enterprise In Lieu Property Tax	2.7	1.8	0.9	0.9
Water Campus Security	0.5	0.5	-	-
<b>Total Transfers In</b>	<b>\$19.2 *</b>	<b>\$12.2</b>	<b>\$10.5</b>	<b>\$10.5</b>
<b>% Change vs. Prior Year</b>	<b>-86%</b>	<b>-37%</b>	<b>-14%</b>	<b>-14%</b>

	Fiscal Year-to-Date: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
CIP	\$9.0	\$3.6	\$0.9	\$0.9	-	-	
Direct Cost Allocation - Fire	-	-	0.3	0.3	-	-	
30 Day Tow	-	-	0.3	0.3	-	-	
Fleet Transfer	-	-	1.0	1.0	-	-	
Cultural Council	0.3	-	-	-	-	-	
Community Services/Human Svcs	0.1	-	0.1	0.1	-	-	
Enterprise In Lieu Franchise Fees	4.5	4.4	4.9	5.1	(0.3)	-5%	
Enterprise In Lieu Property Tax	2.0	1.3	0.7	0.7	-	-	
Water Campus Security	0.3	0.3	-	-	-	-	
<b>Total Transfers In</b>	<b>\$16.3 *</b>	<b>\$9.6</b>	<b>\$8.0</b>	<b>\$8.3</b>	<b>(\$0.2)</b>	<b>-3%</b>	
<b>% Change vs. Prior Year</b>		<b>-41%</b>	<b>-16%</b>	<b>-14%</b>			

\*Includes \$9.0 million transferred temporarily from CIP.

**Actual to Revised Budget variance of (\$0.2) million or (3%):**

No explanation necessary.

**Uses**

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year				
	2009/10	2010/11	2011/12	2011/12	2011/12
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$168.0	\$158.0	\$153.8 *	\$153.8 *	\$ -
Contractual	48.8	48.6	46.1	46.1	-
Commodities	7.7	7.4	7.7	7.7	-
Capital Outlays	0.5	0.5	0.7	0.7	-
Total Operating Expenses	\$225.0	\$214.5	\$208.4	\$208.4	\$ -
Debt Service & Contracts Payable	9.0	12.2	17.9	17.9	-
Transfers Out	20.1	11.5	11.4	11.4	-
Total Uses	\$254.1	\$238.3	\$237.6 *	\$237.6 *	\$ -
% Change vs. Prior Year	-7%	-6%	0%	0%	

	One Month: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable / (Unfavorable)	Amount	Percent
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>			
Expenses:							
Personnel Services	\$13.2	\$12.4	\$17.4	\$17.3	(\$0.1)		0%
Contractual	4.2	3.7	3.8	3.6	( 0.2)		-5%
Commodities	0.7	0.5	0.7	0.7	-		-
Capital Outlays	-	-	-	-	-		-
Total Operating Expenses	\$18.0	\$16.6	\$21.9	\$21.6	(\$0.3)		-1%
Debt Service & Contracts Payable	-	0.5	0.2	0.2	-		-
Transfers Out	0.7	1.4	5.1	0.7	( 4.4)		nm
Total Uses	\$18.7	\$18.5	\$27.3	\$22.5	(\$4.8)		-21%
% Change vs. Prior Year		-1%	48%	22%			

	Fiscal Year-to-Date: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable / (Unfavorable)	Amount	Percent
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>			
Expenses:							
Personnel Services	\$122.3	\$115.1	\$118.0	\$118.1	\$0.1		0%
Contractual	34.8	35.9	32.9	35.4	2.5		7%
Commodities	5.1	4.6	4.5	5.2	0.7		14%
Capital Outlays	0.1	-	-	0.7	0.6		94%
Total Operating Expenses	\$162.4	\$155.6	\$155.5	\$159.4	\$3.9		2%
Debt Service & Contracts Payable	1.5	3.8	7.3	7.1	( 0.2)		-3%
Transfers Out	3.8	5.0	8.8	3.7	( 5.1)		nm
Total Uses	\$167.7	\$164.3	\$171.6	\$170.1	(\$1.5)		-1%
% Change vs. Prior Year		-2%	4%	4%			

	Fiscal Year-to-Date: March 2012					Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable / (Unfavorable)	Amount	Percent
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>			
Expenses:							
Mayor & Council and Charter Officers	\$15.0	\$13.2	\$12.4	\$13.1	\$0.8		6%
Administrative Services	11.8	11.0	11.0	11.5	0.5		5%
Community & Economic Dev	18.6	19.6	18.3	19.5	1.2		6%
Community Services	25.8	24.4	22.9	24.2	1.3		5%
Public Safety - Fire	19.9	19.3	20.3	20.6	0.3		1%
Public Safety - Police	60.0	57.1	59.6	59.1	( 0.5)		-1%
Public Works	11.3	10.8	11.1	11.5	0.4		3%
Total Operating Expenses	\$162.4	\$155.6	\$155.5	\$159.4	\$3.9		2%

\*Includes budgeted vacancy savings and leave accrual payouts.



<b>Personnel Services</b>					
Twelve Months: Fiscal Year					
	2009/10	2010/11	2011/12	2011/12	2011/12
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Salaries and Wages	\$122.5	\$118.4	\$112.0 *	\$112.6 *	\$0.6
Overtime	6.1	5.7	5.8	5.8	-
FICA	8.4	8.1	8.1	8.0	(0.1)
Retirement	15.2	13.2	14.0	13.8	(0.2)
Health/Dental/Miscellaneous	15.7	12.7	13.9	13.6	(0.3)
<b>Total Personnel Services</b>	<b>\$168.0</b>	<b>\$158.0</b>	<b>\$153.8 *</b>	<b>\$153.8 *</b>	<b>\$ -</b>
% Change vs. Prior Year	-13%	-6%	-3%	-3%	

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Salaries and Wages	\$89.8	\$86.8	\$86.3	\$86.2	(\$0.1)	0%
Overtime	4.6	4.3	4.9	4.5	(0.4)	-9%
FICA	6.2	5.9	6.0	6.1	0.2	3%
Retirement	10.0	9.7	10.5	10.5	0.1	1%
Health/Dental/Miscellaneous	11.8	8.4	10.3	10.7	0.4	3%
<b>Total Personnel Services</b>	<b>\$122.3</b>	<b>\$115.1</b>	<b>\$118.0</b>	<b>\$118.1</b>	<b>\$0.1</b>	<b>0%</b>
% Change vs. Prior Year		-6%	3%	3%		
<b>Pay Periods YTD</b>	<b>19</b>	<b>19</b>	<b>20</b>			

\*Includes budgeted vacancy savings and leave accrual payouts.

**Actual to Revised Budget variance of \$0.1 million or 0%:** Salaries, Wages and Overtime continues to run over budget by \$1.0 million in the Police Department principally as a result of targeted crime details and staffing shortages. This unfavorable variance is partially offset by \$0.5 million savings in other divisions, as well as savings in FICA, Retirement and Health/Dental/Miscellaneous.

<b>Vacancy Savings and Leave Payouts</b>					
	2009/10	2010/11	2011/12	2011/12	
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Year-To-Date Saved/(Used)</u>	<u>Remaining</u>
Vacancy Savings	(5.1)	(4.0)	(3.2)	2.9	(0.3)
Vacation Leave Payouts	0.7	0.7	0.8	(0.5)	0.3
Medical Leave Payouts	1.0	1.1	1.0	(0.9)	0.2
Reclassifications	0.2	-	-	-	-
<b>Total Vacancy Savings/Payouts</b>	<b>(\$3.2)</b>	<b>(\$2.3)</b>	<b>(\$1.4)</b>	<b>\$1.5</b>	<b>\$0.2</b>

**Total Saved/(Used) YTD of \$1.5 million** The City has achieved \$2.9 million in vacancy savings year-to-date which is partially offset by the vacation and medical leave payouts of \$1.4 million.

### **Contractual Services**

**Actual to Revised Budget variance of \$2.5 million or 7%:** The favorable variance continues to be attributable to the jail services contract versus budget as well as invoices for services being received later than expected for the Citywide annual software maintenance/licensing and contractual maintenance. In addition, a contributing factor to the variance is event timing versus budget allocation in Economic Vitality's Event Development/Retention program.

### **Commodities**

**Actual to Revised Budget variance of \$0.7 million or 14%:** The favorable variance is primarily the result of timing differences affecting various accounts, such as police radios and associated equipment, chemical and laboratory supplies, maintenance services and repair materials, and office supplies.

### **Capital Outlays**

**Actual to Revised Budget variance of \$0.6 million or 94%:** The favorable variance in Capital Outlays is the result of planned operating projects' expenditures being charged to Contractual Services and not to Capital Outlay accounts where the budget for those projects is allocated. The City is anticipating year-end savings in this category.

**Debt Service & Contracts Payable**

	Twelve Months: Fiscal Year				
	2009/10	2010/11	2011/12	2011/12	2011/12
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
MPC Excise Debt Fund	\$6.7	\$6.7	\$7.6	\$7.6	\$ -
MPC Excise Debt Fund - Bed Tax	-	0.6	1.2	1.2	-
Certificates of Participation (COP)	0.9	0.9	3.4	3.4	-
Contracts Payable	1.4	3.5	3.1	3.1	-
COP - Radio Financing	-	0.5	2.5	2.5	-
Debt Service & Contracts Payable	<u>\$9.0</u>	<u>\$12.2</u>	<u>\$17.9</u>	<u>\$17.9</u>	<u>\$ -</u>
% Change vs. Prior Year	-3%	36%	46%	46%	

	Fiscal Year-to-Date: March 2012					
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
MPC Excise Debt Fund	\$ -	\$ -	\$ -	\$ -	\$ -	-
MPC Excise Debt Fund - Bed Tax	-	-	-	-	-	-
Certificates of Participation (COP)	0.5	0.9	3.5	3.4	(0.1)	-2%
Contracts Payable	1.0	2.7	2.6	2.4	(0.2)	-8%
COP - Radio Financing	-	0.2	1.3	1.3	-	-
Debt Service & Contracts Payable	<u>\$1.5</u>	<u>\$3.8</u>	<u>\$7.3</u>	<u>\$7.1</u>	<u>(\$0.2)</u>	<u>-3%</u>
% Change vs. Prior Year		nm	92%	86%		

**Actual to Revised Budget variance of (\$0.2) million or (3%):** The Contracts Payable is reflecting an unfavorable variance due to the Nordstrom garage development agreement. Development agreement payments are based on the amount of privilege (sales) tax collections at each development site. Mall performance showed an increase in sales that was higher than what was originally estimated and budgeted; so a payment for the difference is creating a \$0.4 million unfavorable variance. This unfavorable variance is being partially offset due to a timing issue related to the U.S. Corps of Engineers payment of \$0.2 million. In addition, the unfavorable variance in Certificates of Participation are contributable to the interest expense which was paid but not budgeted for the Public Safety Headquarters debt payoff.

**Transfers-Out**

	Twelve Months: Fiscal Year				
	2009/10	2010/11	2011/12	2011/12	2011/12
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
CIP - General Fund Maintenance	\$10.4	\$2.0	\$2.0	\$2.0	\$ -
Transportation Fund	3.3	-	-	-	-
Bed Tax Fund	6.4	6.7	6.1	6.1	-
CIP - Bed Tax	-	2.8	1.8	1.8	-
Health Care Reserve Fund	-	-	-	-	-
PC Replacement Fund	-	-	1.2	1.2	-
Special Programs Fund - Community	-	-	0.2	0.2	-
Special Programs Fund - Planning & Dev	0.1	0.1	0.1	0.1	-
Total Transfers Out	<u>\$20.1</u>	<u>\$11.5</u>	<u>\$11.4</u>	<u>\$11.4</u>	<u>\$ -</u>
% Change vs. Prior Year	61%	-43%	-1%	-1%	

	Fiscal Year-to-Date: March 2012					
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
CIP - General Fund Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-
Transportation Fund	0.1	-	-	-	-	-
Bed Tax Fund	3.7	5.0	5.1	3.7	(1.4)	-39%
CIP - Bed Tax	-	-	-	-	-	-
Health Care Reserve Fund	-	-	3.0	-	(3.0)	-100%
PC Replacement Fund	-	-	-	-	-	-
Spec Pgms Fund - Comm Svcs	-	-	-	-	-	-
Spec Pgms Fund - Planning & Dev	-	-	0.7	-	(0.7)	-100%
Total Transfers Out	<u>\$3.8</u>	<u>\$5.0</u>	<u>\$8.8</u>	<u>\$3.7</u>	<u>(\$5.1)</u>	<u>nm</u>
% Change vs. Prior Year		31%	78%	-40%		

**Actual to Revised Budget variance of (\$5.1) million or (nm%):** The unfavorable variance in Bed Tax Fund is due to the actual revenue being greater than budgeted, resulting in an increased Transfers Out to the Special Programs Fund for the Convention and Visitor's Bureau (CVB) contract and a transfer to the CIP Fund for the Tony Nelssen Equestrian Center expansion project and Hospitality Trolley expenditures. The unfavorable variance in the Health Care Reserve Fund line is the result of the Council authorized one-time transfer from the General Fund Unreserved Balance to the Health Care Fund reserves. Finally, the unfavorable variance in Spec Pgms Fund - Planning & Dev is the result of the Council authorized transfer from the General Fund to the Special Revenue - Special Programs Fund for the Arts In Public Places program.

<b>FY 2011/12 - TRANSPORTATION FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$29.2	\$29.2	\$ -	-
Uses	29.1	29.1	-	-
Change in Fund Balance	\$0.1	\$0.1	\$ -	
Beginning Fund Balance	\$0.5	\$2.3	\$1.8	
Ending Fund Balance	<u>\$0.5</u>	<u>\$2.4</u>	<u>\$1.9</u>	

Twelve Months: Fiscal Year					
	2009/10 <u>Actual</u>	2010/11 <u>Actual</u>	2011/12 <u>Adopted Budget</u>	2011/12 <u>Revised Budget</u>	2011/12 <u>Approved Adjustments</u>
Revenues:					
HURF Taxes	\$13.3	\$13.4	\$10.9	\$10.9	\$ -
0.20% City Sales Tax	14.6	15.0	15.3	15.3	-
Other	3.0	6.1	1.4	1.4	-
Total Revenues	<u>\$30.9</u>	<u>\$34.5</u>	<u>\$27.6</u>	<u>\$27.6</u>	<u>\$ -</u>
Transfers In	3.6	0.6	1.6	1.6	-
Total Sources	<u>\$34.6</u>	<u>\$35.1</u>	<u>\$29.2</u>	<u>\$29.2</u>	<u>\$ -</u>
% Change vs. Prior Year	-19%	2%	-17%	-17%	

Twelve Months: Fiscal Year					
	2009/10 <u>Actual</u>	2010/11 <u>Actual</u>	2011/12 <u>Adopted Budget</u>	2011/12 <u>Revised Budget</u>	2011/12 <u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$6.5	\$6.3	\$5.2 *	\$5.2 *	\$ -
Contractual	18.7	15.4	15.3	15.3	-
Commodities	0.6	0.6	0.8	0.8	-
Capital Outlays	1.4	3.0	0.1	0.1	-
Total Operating Expenses	<u>\$27.2</u>	<u>\$25.2</u>	<u>\$21.5</u>	<u>\$21.5</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	7.5	7.6	7.7	7.7	-
Total Uses	<u>\$34.6</u>	<u>\$32.8</u>	<u>\$29.1 *</u>	<u>\$29.1 *</u>	<u>\$ -</u>
% Change vs. Prior Year	-15%	-5%	-11%	-11%	

\*Includes budgeted vacancy savings and leave accrual payouts.

**March 2012: Current Month and YTD**  
 (\$ in millions: Rounding differences may occur)

	March Actual	March Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$2.8	\$2.4	\$21.7	\$21.3	\$0.4	2%
Uses	1.9	2.1	13.6	15.5	1.9	12%
Change in Fund Balance	\$0.9	\$0.3	\$8.1	\$5.8	\$2.3	

**One Month: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$1.1	\$1.1	\$0.9	\$1.0	\$ -	-
0.20% City Sales Tax	1.2	1.3	1.3	1.3	-	-
Other	0.1	( 0.2)	0.2	-	0.2	nm
Total Revenues	\$2.3	\$2.2	\$2.5	\$2.3	\$0.2	7%
Transfers In	-	-	0.3	-	0.3	nm
Total Sources	\$2.3	\$2.2	\$2.8	\$2.4	\$0.5	19%
% Change vs. Prior Year		-6%	28%	7%		

**Fiscal Year-to-Date: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$9.7	\$9.8	\$7.9	\$8.1	(\$0.2)	-2%
0.20% City Sales Tax	10.9	10.9	11.6	11.3	0.3	2%
Other	1.9	5.5	0.7	0.5	0.1	27%
Total Revenues	\$22.5	\$26.2	\$20.1	\$19.9	\$0.2	1%
Transfers In	0.5	0.6	1.6	1.4	0.1	10%
Total Sources	\$22.9	\$26.9	\$21.7	\$21.3	\$0.4	2%
% Change vs. Prior Year		17%	-19%	-21%		

**Actual to Revised Budget variance of \$0.4 million or 2%:**

Local automotive sales have performed better than expected, as well as dealers adding new lines to their inventories. Additionally, there have been large audit payments in the miscellaneous retail, rental, construction and license fee categories. See Appendix 1 for further information about results by sales tax categories.

One Month: March 2012

Expenses:	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$0.5	\$0.5	\$0.6	\$0.6	\$ -	-
Contractual	1.0	0.8	1.3	1.4	0.1	7%
Commodities	-	-	-	0.1	-	-
Capital Outlays	-	0.3	-	-	-	-
Total Operating Expenses	\$1.6	\$1.6	\$1.9	\$2.1	\$0.1	7%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$1.6	\$1.6	\$1.9	\$2.1	\$0.1	7%
% Change vs. Prior Year		0%	24%	32%		

Fiscal Year-to-Date: March 2012

Expenses:	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$4.7	\$4.5	\$3.9	\$4.0	\$0.1	2%
Contractual	14.5	8.8	9.3	11.0	1.7	16%
Commodities	0.4	0.4	0.3	0.5	0.1	30%
Capital Outlays	0.1	2.9	0.1	0.1	-	-
Total Operating Expenses	\$19.8	\$16.7	\$13.6	\$15.5	\$1.9	12%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$19.8	\$16.7	\$13.6	\$15.5	\$1.9	12%
% Change vs. Prior Year		-15%	-19%	-7%		

**Actual to Revised Budget variance of \$1.9 million or 12%:**

The favorable variance in Contractual continues to be attributable to the invoice timing for Transportation's transit contracts with the Regional Public Transportation Authority (RPTA) and the Trolley. Additionally, the positive variance is the result of expenditures not occurring as budgeted for asphalt pavement treatments and particulate matter (PM10) dust treatments on unpaved roads, shoulders and alleys.

<b>FY 2011/12 - WATER AND WATER RECLAMATION FUNDS</b>				
<b>(\$ in millions: Rounding differences may occur)</b>				
	Adopted	Revised	Adopted vs. Revised	
	Budget	Budget	Favorable / (Unfavorable)	Percent
			Amount	
Sources	\$169.7	\$169.7	\$ -	-
Uses	203.6	203.6	-	-
Change in Fund Balance	(\$33.9)	(\$33.9)	\$ -	
Beginning Fund Balance	\$86.0	\$80.5	(\$5.5)	
Ending Fund Balance	\$52.0	\$46.6	(\$5.5)	
60 to 90 Day Operating	\$14.0	\$14.0	\$0.0	
Repair/Replacement Reserve	29.2	29.2	-	
Revenue Bond Debt Reserve	5.4	5.4	-	
Special Contractual	3.4	3.4	-	
Unreserved Fund Balance	-	(5.5) *	(5.5)	
Ending Fund Balance	\$52.0	\$46.6	(\$5.5)	

	Twelve Months: Fiscal Year				
	2009/10	2010/11	2011/12	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget	Approved Adjustments
Revenues:					
Water Service Charges	\$94.8	\$94.8	\$98.4	\$101.8	\$3.4
Water Reclamation Charges	35.4	34.5	34.2	34.7	0.5
Effluent Sales	0.6	1.0	0.9	0.9	-
Interest Earnings	2.9	1.3	0.3	0.3	-
Miscellaneous Revenue	2.7	2.1	17.6	13.7	(3.9)
Total Revenues	\$136.3	\$133.8	\$151.5	\$151.5	\$ -
Bond Proceeds	78.5	-	-	-	-
Transfers In	15.2	17.3	18.2	18.2	-
Total Sources	\$230.0	\$151.1	\$169.7	\$169.7	\$ -
% Change vs. Prior Year	4%**	-34%	12%	12%	

	Twelve Months: Fiscal Year				
	2009/10	2010/11	2011/12	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget	Approved Adjustments
Expenses:					
Personnel Services	\$16.8	\$15.5	\$16.7	\$16.7	\$ -
Contractual	23.3	22.2	27.6	27.6	-
Commodities	19.7	22.1	23.5	23.5	-
Capital Outlays	0.1	0.2	-	-	-
Total Operating Expenses	\$59.8	\$59.9	\$67.8	\$67.8	\$ -
Debt Service & Contracts Payable	25.7	29.8	29.1	29.1	-
Transfers Out					
Bond Proceeds	35.6	24.2	-	-	-
CIP Fund	72.5	11.3	92.4	92.4	-
Franchise Fees	6.5	6.4	6.9	6.9	-
In Lieu Property Tax Fees	2.6	1.7	0.9	0.9	-
Indirect/Direct Charges	9.6	10.1	6.5	6.5	-
Total Uses	\$212.40	\$143.5	\$203.6	\$203.6	\$ -
% Change vs. Prior Year	n/a	-32%	42%	42%	

\*FY 2011/12 transfers-out to CIP will be reduced by an amount sufficient to restore the negative unreserved fund balance by year end.

\*\*Excluding Bond Proceeds

**March 2012: Current Month and YTD**  
 (\$ in millions: Rounding differences may occur)

	March Actual	March Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Sources	\$9.7	\$8.8	\$127.0	\$134.2	(\$7.1)	-5%
Uses	7.0	7.0	120.1	112.5	( 7.6)	-7%
Change in Fund Balance	\$2.7	\$1.8	\$6.9	\$21.7	(\$14.7)	

One Month: March 2012

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Water Service Charges	\$5.1	\$5.7	\$6.2	\$5.8	\$0.4	8%
Water Reclamation Charges	3.0	2.9	2.9	2.9	-	-
Effluent Sales	-	-	-	-	-	-
Interest Earnings	0.1	-	0.2	-	0.2	nm
Miscellaneous Revenue	-	1.3	0.2	0.1	0.2	nm
Total Revenues	\$8.2	\$10.0	9.6	\$8.7	0.8	10%
Bond Proceeds	-	-	-	-	-	-
Transfers In	-	( 15.6)	0.1	0.1	-	-
Total Sources	\$8.2	(\$5.6)	9.7	\$8.8	\$0.8	10%
% Change vs. Prior Year		nm	nm	nm		

Fiscal Year-to-Date: March 2012

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Water Service Charges	\$72.0	\$71.5	\$72.1	\$75.8	(\$3.7)	-5%
Water Reclamation Charges	26.6	26.0	26.5	26.1	0.4	2%
Effluent Sales	0.5	0.6	0.4	0.6	(0.1)	-21%
Interest Earnings	1.1	0.9	0.7	0.2	0.5	nm
Miscellaneous Revenue	0.7	2.0	10.4	13.4	(2.9)	-22%
Total Revenues	\$100.9	\$101.0	\$110.2	\$116.1	(\$5.8)	-5%
Bond Proceeds	-	-	-	-	-	-
Transfers In	14.0	( 15.0)	16.8	18.1	( 1.3)	-7%
Total Sources	\$114.9	\$86.1	\$127.0	\$134.2	(\$7.1)	-5%
% Change vs. Prior Year		-25%	48%	56%		

**Actual to Revised Budget variance of (\$7.1) million or (5%):**

The fiscal year-to-date unfavorable variance for Water Service Charges is a result of lower than anticipated water deliveries. The unfavorable variance in Miscellaneous Revenue results from a lower than anticipated sale price for the Planet Ranch (\$1.9M), a forecasted refund for the Sub-Regional Operating Group (\$1.1M) which was budgeted as revenue but will be recorded as a reduction to expenditures, and less than anticipated development fee administrative charges which are driven by building permits. The unfavorable variance for Transfers In is related to the transfer of development fee funds from the capital fund to the operating fund to pay debt service, which was greater than anticipated.

## Water and Water Reclamation Funds

One Month: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
Expenses:				Budget	Amount	Percent
Personnel Services	\$1.2	\$1.2	\$1.8	\$1.9	-	-
Contractual	(0.9)	0.1	1.3	2.5	1.1	46%
Commodities	1.3	1.9	2.3	1.6	(0.7)	-42%
Capital Outlays	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$1.5</b>	<b>\$3.2</b>	<b>\$5.5</b>	<b>\$5.9</b>	<b>\$0.5</b>	<b>8%</b>
Debt Service & Contracts Payable	-	9.5	0.4	-	(0.4)	-100%
<b>Transfers Out</b>						
Bond Proceeds	-	6.6	-	-	-	-
CIP Fund	-	-	-	-	-	-
Franchise Fees	0.4	0.4	0.4	0.4	-	-
In Lieu Property Tax Fees	0.2	0.1	0.1	0.1	-	-
Indirect/Direct Charges	1.0	0.8	0.5	0.5	-	-
<b>Total Uses</b>	<b>\$3.1</b>	<b>\$20.7</b>	<b>\$7.0</b>	<b>\$7.0</b>	<b>\$ -</b>	<b>-</b>
% Change vs. Prior Year		nm	-67%	-66%		

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
Expenses:				Budget	Amount	Percent
Personnel Services	\$11.4	\$11.3	\$12.2	\$12.9	\$0.7	5%
Contractual	14.5	13.6	15.9	18.9	3.0	16%
Commodities	13.6	14.8	15.0	15.3	0.3	2%
Capital Outlays	-	0.2	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$39.5</b>	<b>\$39.9</b>	<b>\$43.2</b>	<b>\$47.1</b>	<b>\$3.9</b>	<b>8%</b>
Debt Service & Contracts Payable	7.3	9.5	8.9	8.5	(0.4)	-5%
<b>Transfers Out</b>						
Bond Proceeds	-	18.1	11.4	-	(11.4)	nm
CIP Fund	35.9	23.4	46.2	46.2	-	-
Franchise Fees	4.5	4.4	4.9	5.1	0.3	5%
In Lieu Property Tax Fees	2	1.3	0.7	0.7	-	-
Indirect/Direct Charges	8.6	7.6	4.9	4.9	-	-
<b>Total Uses</b>	<b>\$97.90</b>	<b>\$104.2</b>	<b>\$120.1</b>	<b>\$112.5</b>	<b>(\$7.6)</b>	<b>-7%</b>
% Change vs. Prior Year		6%	15%	8%		

**Actual to Revised Budget variance of (\$7.6) million or (7%):**

The positive variance in Personnel Services is related to unfilled positions. The positive variance in Contractual services is driven by less consultant and other professional services and less than forecasted electrical costs. The positive variance in Commodities is related to less than forecasted treatment filter media and chemicals. The Bonds Proceeds transfer out is a movement of unspent prior year proceeds to the capital improvement fund, these funds are unbudgeted and restricted to eligible capital expenses.



<b>FY 2011/12 - AVIATION FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted <u>Budget</u>	Revised <u>Budget</u>	Adopted vs. Revised Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Sources	\$5.1	\$5.1	\$ -	-
Uses	2.9	2.9	-	-
Change in Fund Balance	<u>\$2.2</u>	<u>\$2.2</u>	<u>\$ -</u>	
Beginning Fund Balance	\$4.0	\$3.8	(\$0.2)	
Ending Fund Balance	<u><u>\$6.1</u></u>	<u><u>\$5.9</u></u>	<u><u>(\$0.2)</u></u>	
60 to 90 Day Operating	\$0.7	\$0.7	\$0.0	
Repair/Replacement Reserve	3.4	3.4	-	
Land Purchase Reserve	2.0	1.8	(0.2)	
Unreserved Fund Balance	-	-	-	
Ending Fund Balance	<u><u>\$6.1</u></u>	<u><u>\$5.9</u></u>	<u><u>(\$0.2)</u></u>	

	Twelve Months: Fiscal Year				
	2009/10 <u>Actual</u>	2010/11 <u>Actual</u>	2011/12 Adopted <u>Budget</u>	2011/12 Revised <u>Budget</u>	2011/12 Approved <u>Adjustments</u>
Revenues:					
Aviation Fees	\$2.9	\$2.8	\$3.0	\$3.0	\$ -
Privilege and Use Tax – Jet Fuel	0.1	0.1	0.1	0.1	-
Interest Earnings	0.1	0.1	-	-	-
Total Revenues	<u>\$3.1</u>	<u>\$3.0</u>	<u>\$3.1</u>	<u>\$3.1</u>	<u>\$ -</u>
Transfers In	-	-	2.0	2.0	-
Total Sources	<u><u>\$3.1</u></u>	<u><u>\$3.0</u></u>	<u><u>\$5.1</u></u>	<u><u>\$5.1</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	-33%	-3%	69%	69%	

	Twelve Months: Fiscal Year				
	2009/10 <u>Actual</u>	2010/11 <u>Actual</u>	2011/12 Adopted <u>Budget</u>	2011/12 Revised <u>Budget</u>	2011/12 Approved <u>Adjustments</u>
Expenses:					
Personnel Services	\$0.9	\$1.0	\$1.0	\$1.0	\$ -
Contractual	0.5	0.6	0.6	0.6	-
Commodities	-	-	0.1	0.1	-
Capital Outlays	-	-	-	-	-
Total Operating Expenses	<u>\$1.6</u>	<u>\$1.7</u>	<u>\$1.7</u>	<u>\$1.7</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	0.2	1.6	0.7	0.7	-
In Lieu Property Tax Fees	-	-	-	-	-
Indirect/Direct Charges	0.5	0.7	0.6	0.6	-
Total Uses	<u><u>\$2.4</u></u>	<u><u>\$3.9</u></u>	<u><u>\$2.9</u></u>	<u><u>\$2.9</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	n/a	65%	-25%	-25%	

**March 2012: Current Month and YTD**  
(\$ in millions: Rounding differences may occur)

	March Actual	March Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.3	\$0.3	\$2.5	\$4.4	(\$1.9)	-43%
Uses	0.3	0.2	2.4	2.4	-	-
Change in Fund Balance	\$0.1	\$0.1	\$0.1	\$1.9	(\$1.8)	

**One Month: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.3	\$0.3	\$0.3	\$0.3	\$ -	-
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$0.3	\$0.3	\$0.3	\$0.3	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$0.3	\$0.3	\$0.3	\$0.3	\$ -	-
% Change vs. Prior Year		0%	0%	0%		

**Fiscal Year-to-Date: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$2.2	\$2.1	\$2.3	\$2.3	\$0.1	4%
Privilege and Use Tax – Jet Fuel	0.1	0.1	0.1	0.1	-	-
Interest Earnings	0.1	0.1	-	-	-	-
Total Revenues	\$2.3	\$2.3	\$2.5	\$2.4	\$0.1	5%
Transfers In	-	-	-	2.0	( 2.0)	-100%
Total Sources	\$2.3	\$2.3	\$2.5	\$4.4	(\$1.9)	-43%
% Change vs. Prior Year		0%	10%	93%		

**Actual to Revised Budget variance of (\$1.9) million or (43%):**

The unfavorable variance in Transfer In is related to the Scottsdale/Thunderbird Park-and-Ride facility; the revenue will be recognized over the 20 year lease agreement period rather than as a one time Transfer In, which is how it was budgeted.

One Month: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Expenses:						
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	-	0.1	-	( 0.1)	nm
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.1	\$0.1	\$0.2	\$0.1	(\$0.1)	-40%
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	0.1	-	-	-	-	-
Total Uses	\$0.2	\$0.1	\$0.3	\$0.2	(\$0.1)	-30%
% Change vs. Prior Year		0%	79%	37%		

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Expenses:						
Personnel Services	\$0.6	\$0.7	\$0.8	\$0.8	\$ -	-
Contractual	0.4	0.4	0.5	0.5	-	-
Commodities	-	-	-	0.1	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$1.0	\$1.1	\$1.3	\$1.3	\$ -	-
Transfers Out						
CIP Fund	0.2	1.6	0.6	0.6	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	0.5	0.5	0.4	0.4	-	-
Total Uses	\$1.8	\$3.2	\$2.4	\$2.4	\$ -	-
% Change vs. Prior Year		83%	-27%	-25%		

**Actual to Revised Budget variance of \$0.0 million or 0%:**

No explanation necessary.

**FY 2011/12 - SOLID WASTE FUND**  
(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$20.5	\$20.5	\$ -	-
Uses	18.5	18.5	-	-
Change in Fund Balance	\$2.0	\$2.0	\$ -	
Beginning Fund Balance	\$6.3	\$7.2	\$0.9	
Ending Fund Balance	<u>\$8.3</u>	<u>\$9.2</u>	<u>\$0.9</u>	
60 to 90 Day Operating Unreserved Fund Balance	\$3.9 4.4	\$3.9 5.3	\$0.0 0.9	
Ending Fund Balance	<u>\$8.3</u>	<u>\$9.2</u>	<u>\$0.9</u>	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Solid Waste Charges	\$20.4	\$20.9	\$20.3	\$20.3	\$ -
Interest Earnings	0.2	0.1	-	-	-
Total Revenues	\$20.6	\$21.0	\$20.3	\$20.3	\$ -
Transfers In	-	-	0.2	0.2	-
Total Sources	<u>\$20.6</u>	<u>\$21.0</u>	<u>\$20.5</u>	<u>\$20.5</u>	<u>\$ -</u>
% Change vs. Prior Year	1%	2%	-2%	-2%	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$5.7	\$5.9	\$6.3	\$6.3	\$ -
Contractual	9.7	9.7	9.3	9.3	-
Commodities	0.4	0.3	0.4	0.4	-
Capital Outlays	-	-	-	-	-
Total Operating Expenses	\$15.8	\$15.9	\$16.1	\$16.1	\$ -
Transfers Out					
CIP Fund	1.1	1.8	1.0	1.0	-
In Lieu Property Tax Fees	-	-	-	-	-
Indirect/Direct Charges	2.9	2.9	1.5	1.5	-
Total Uses	<u>\$19.8</u>	<u>\$20.6</u>	<u>\$18.5</u>	<u>\$18.5</u>	<u>\$ -</u>
% Change vs. Prior Year	n/a	4%	-10%	-10%	

**March 2012: Current Month and YTD**  
(\$ in millions: Rounding differences may occur)

	March Actual	March Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.6	\$1.7	\$15.8	\$15.5	\$0.3	2%
Uses	1.9	1.6	13.8	13.8	-	-
Change in Fund Balance	(\$0.3)	\$0.1	\$2.0	\$1.7	\$0.3	

**One Month: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$1.7	\$1.9	\$1.6	\$1.7	(\$0.1)	-5%
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$1.7	\$1.9	\$1.6	\$1.7	(\$0.1)	-5%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.7	\$1.9	\$1.6	\$1.7	(\$0.1)	-5%
% Change vs. Prior Year		7%	-12%	-7%		

**Fiscal Year-to-Date: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$15.2	\$15.7	\$15.5	\$15.3	\$0.3	2%
Interest Earnings	0.1	0.1	0.1	-	-	-
Total Revenues	\$15.3	\$15.7	\$15.6	\$15.3	\$0.3	2%
Transfers In	-	-	0.2	0.2	-	-
Total Sources	\$15.3	\$15.7	\$15.8	\$15.5	\$0.3	2%
% Change vs. Prior Year		3%	0%	-2%		

**Actual to Revised Budget variance of \$0.3 million or 2%:**

The fiscal year to date favorable variance is driven by an increase in recycled material tonnage which results in increased revenue.

One Month: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$0.5	\$0.5	\$0.7	\$0.7	\$ -	-
Contractual	0.8	0.8	1.0	0.8	( 0.3)	-34%
Commodities	-	-	0.1	-	( 0.1)	nm
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$1.3	\$1.3	\$1.8	\$1.5	(\$0.3)	-19%
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	0.3	0.2	0.2	0.1	-	-
Total Uses	\$1.5	\$1.5	\$1.9	\$1.6	(\$0.3)	-17%
% Change vs. Prior Year		-4%	31%	12%		

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$4.4	\$4.3	\$5.1	\$4.9	(\$0.3)	-5%
Contractual	6.9	6.7	6.4	6.7	0.3	4%
Commodities	0.3	0.2	0.3	0.3	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$11.5	\$11.2	\$11.9	\$11.9	\$ -	-
Transfers Out						
CIP Fund	1.1	1.4	0.5	0.5	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	2.6	2.3	1.5	1.5	-	-
Total Uses	\$15.3	\$14.9	\$13.8	\$13.8	\$ -	-
% Change vs. Prior Year		-3%	-7%	-7%		

**Actual to Revised Budget variance of \$0.0 million or 0%:**

The unfavorable variance in Personnel Services is due to unbudgeted employee vacation and medical leave accrual payouts for retirements. The favorable variance for Contractual services is primarily due to timing issues for landfill costs.

<b>FY 2011/12 - FLEET FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$14.3	\$14.3	\$ -	-
Uses	18.4	18.4	-	-
Change in Fund Balance	(\$4.1)	(\$4.1)	\$ -	
Beginning Fund Balance	\$10.3	\$11.9	\$ -	
Ending Fund Balance	<u>\$6.2</u>	<u>\$7.7</u>	<u>\$ -</u>	
Contingency Reserve	\$1.3	\$1.3	\$0.0	
Future Acquisition	4.8	4.8	-	
Unreserved Fund Balance	-	1.6	1.6	
Ending Fund Balance	<u>\$6.2</u>	<u>\$7.7</u>	<u>\$1.6</u>	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Maintenance/Operation Rates	\$11.5	\$11.2	\$11.0	\$11.0	\$ -
Replacement Rates	1.7	2.9	3.1	3.1	-
Interest Earnings	0.3	0.1	-	-	-
Other Revenue	0.4	0.1	0.2	0.2	-
Total Revenues	<u>\$13.9</u>	<u>\$14.4</u>	<u>\$14.3</u>	<u>\$14.3</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$13.9</u>	<u>\$14.4</u>	<u>\$14.3</u>	<u>\$14.3</u>	<u>\$ -</u>
% Change vs. Prior Year	-27%	4%	0%	0%	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$3.2	\$3.2	\$3.2 *	\$3.2 *	\$ -
Contractual	1.2	1.3	1.5	1.5	-
Commodities	5.6	6.4	6.6	6.6	-
Capital Outlays	2.9	1.6	5.6	5.6	-
Total Operating Expenses	<u>\$12.9</u>	<u>\$12.6</u>	<u>\$17.0</u>	<u>\$17.0</u>	<u>\$ -</u>
Transfers Out					
Transfers to Operating Funds	0.7	-	1.5	1.5	-
Total Uses	<u>\$13.6</u>	<u>\$12.6</u>	<u>\$18.4 *</u>	<u>\$18.4 *</u>	<u>\$ -</u>
% Change vs. Prior Year	-35%	-8%	46%	46%	

\*Includes budgeted vacancy savings and leave accrual payouts.

**March 2012: Current Month and YTD**  
(\$ in millions: Rounding differences may occur)

	March Actual	March Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.3	\$1.2	\$11.4	\$10.7	\$0.7	6%
Uses	1.3	1.0	13.0	13.6	0.6	4%
Change in Fund Balance	\$ -	\$0.2	(\$1.6)	(\$2.9)	\$1.3	

**One Month: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$0.9	\$0.9	\$1.0	\$0.9	\$0.1	9%
Replacement Rates	0.1	0.2	0.3	0.3	-	-
Interest Earnings	-	-	-	-	-	-
Other Revenue	0.1	-	0.1	-	0.1	nm
Total Revenues	\$1.1	\$1.2	\$1.3	\$1.2	\$0.1	12%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.1	\$1.2	\$1.3	\$1.2	\$0.1	12%
% Change vs. Prior Year		6%	12%	0%		

**Fiscal Year-to-Date: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$8.6	\$8.4	\$8.8	\$8.2	\$0.6	7%
Replacement Rates	1.3	2.2	2.3	2.3	-	-
Interest Earnings	0.2	0.2	0.1	-	-	-
Other Revenue	0.3	0.1	0.2	0.2	0.1	57%
Total Revenues	\$10.4	\$10.8	\$11.4	\$10.7	\$0.7	6%
Transfers In	-	-	-	-	-	-
Total Sources	\$10.4	\$10.8	\$11.4	\$10.7	\$0.7	6%
% Change vs. Prior Year		4%	5%	-1%		

**Actual to Revised Budget variance of \$0.7 million or 6%:**

Beginning in FY 2011/12, Fleet Management implemented direct billing (charging based on actual usage) for Maintenance/Operation rates. However, the budget was spread evenly based on estimated usage which is creating the positive year to date variance.



One Month: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable / (Unfavorable)	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$0.3	\$0.2	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.1	0.1	0.1	-	-
Commodities	0.4	0.3	0.7	0.5	( 0.2)	-38%
Capital Outlays	-	-	0.2	-	( 0.1)	nm
Total Operating Expenses	\$0.7	\$0.6	\$1.3	\$1.0	(\$0.3)	-34%
Transfers Out						
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	\$0.7	\$0.6	\$1.3	\$1.0	(\$0.3)	-34%
% Change vs. Prior Year		-18%	114%	59%		

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable / (Unfavorable)	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$2.4	\$2.3	\$2.4	\$2.3	\$ -	-
Contractual	0.9	0.9	1.1	1.2	0.1	7%
Commodities	3.2	3.7	4.7	4.4	( 0.3)	-7%
Capital Outlays	2.8	1.0	3.4	4.2	0.9	20%
Total Operating Expenses	\$9.2	\$7.9	\$11.5	\$12.1	\$0.6	5%
Transfers Out						
Transfers to Operating Funds	-	-	1.5	1.5	-	-
Total Uses	\$9.2	\$7.9	\$13.0	\$13.6	\$0.6	4%
% Change vs. Prior Year		-14%	65%	72%		

**Actual to Revised Budget variance of \$0.6 million or 4%:**

The favorable variance in Contractual is a timing issue of the budget versus expenditures for annual maintenance contracts for various fleet systems. The unfavorable variance in Commodities is due to the actual blended average of fuel costs being higher than forecasted. The favorable variance in Capital Outlays is a timing issue of budget versus expenditures for the purchase of vehicles/equipment.

<b>FY 2011/12 - BENEFITS SELF INSURANCE</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$25.0	\$25.0	\$ -	-
Uses	26.5	26.5	-	-
Change in Fund Balance	(\$1.5)	(\$1.5)	\$ -	
Beginning Fund Balance	\$4.2	\$3.2	(\$1.0)	
Ending Fund Balance	<u>\$2.7</u>	<u>\$1.7</u>	<u>(\$1.0)</u>	
Healthcare Claim Reserve	\$1.6	\$0.6	(\$1.0)	
Short Term Disability	1.1	1.1	-	
Ending Fund Balance	<u>\$2.7</u>	<u>\$1.7</u>	<u>(\$1.0)</u>	

Twelve Months: Fiscal Year					
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Medical Premiums-COS	\$18.1	\$13.7	\$16.8	\$16.8	\$ -
Dental Premiums - COS	0.9	0.7	0.9	0.9	-
Medical Premiums - EE	4.1	4.5	6.4	6.4	-
Dental Premiums - EE	0.8	0.7	0.8	0.8	-
Other Revenue	0.9	0.5	-	-	-
Short Term Disability	0.3	-	-	-	-
Total Revenues	<u>\$25.2</u>	<u>\$20.2</u>	<u>\$25.0</u>	<u>\$25.0</u>	<u>\$ -</u>
Total Sources	<u>\$25.2</u>	<u>\$20.2</u> <sup>(a)</sup>	<u>\$25.0</u> <sup>(b)</sup>	<u>\$25.0</u>	<u>\$ -</u>
% Change vs. Prior Year	-2%	-20%	24%	24%	

Twelve Months: Fiscal Year					
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services - COS	\$0.2	\$ -	\$0.2	\$0.2	\$ -
Contractual - COS	0.1	-	0.1	0.1	-
Medical Claims	21.6	20.3	21.2	21.2	-
Dental Claims	1.5	1.5	1.5	1.5	-
Provider Admin Fees	1.9	1.8	1.8	1.8	-
Behavioral Health Claims	0.5	0.5	0.6	0.6	-
Stop Loss Insurance	0.4	0.4	0.5	0.5	-
Live Life Well	0.2	-	0.6	0.6	-
Short Term Disability	0.1	-	-	-	-
Total Operating Expenses	<u>\$26.5</u>	<u>\$24.5</u>	<u>\$26.5</u>	<u>\$26.5</u>	<u>\$ -</u>
Total Uses	<u>\$26.5</u>	<u>\$24.5</u>	<u>\$26.5</u>	<u>\$26.5</u>	<u>\$ -</u>
% Change vs. Prior Year	6%	-7%	8%	8%	

<sup>(a)</sup> Revenues reduced for premium holiday by approximately \$4.0 million.

<sup>(b)</sup> Revenues reduced for anticipated premium holiday by approximately \$1.0 million.

**March 2012: Current Month and YTD**  
(\$ in millions: Rounding differences may occur)

	March Actual	March Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Sources	\$6.0	\$2.1	\$22.4	\$18.7	\$3.7	32%
Uses	2.6	2.2	20.1	19.8	( 0.3)	-1%
Change in Fund Balance	\$3.4	(\$0.1)	\$2.3	(\$1.1)	\$3.4	

**One Month: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums-COS	\$1.5	\$1.4	\$1.3	\$1.4	(\$0.1)	-7%
Dental Premiums - COS	0.1	0.1	0.1	0.1	-	-
Medical Premiums - EE	0.4	0.4	0.5	0.5	( 0.1)	-10%
Dental Premiums - EE	0.1	0.1	0.1	0.1	-	-
Other Revenue	-	0.2	0.1	-	0.1	n/a
Short Term Disability	-	-	-	-	-	-
Total Revenues	\$2.1	\$2.1	\$2.0	\$2.1	(\$0.1)	-4%
Transfers In	0.0	0.0	4.0	0.0	4.0	n/a
Total Sources	\$2.1	\$2.1	\$6.0	\$2.1	\$3.9	nm
% Change vs. Prior Year		0%	nm	0%		

**Fiscal Year-to-Date: March 2012**

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums-COS	\$13.6	\$9.4	\$12.0	\$12.6	(\$0.7)	-5%
Dental Premiums - COS	0.6	0.5	0.6	0.6	-	-
Medical Premiums - EE	3.1	3.4	4.9	4.8	0.1	2%
Dental Premiums - EE	0.6	0.6	0.6	0.6	-	-
Other Revenue	0.4	0.5	0.4	-	0.4	n/a
Short Term Disability	0.2	-	-	-	-	-
Total Revenues	\$18.6	\$14.2	\$18.4	\$18.7	(\$0.3)	-2%
Transfers In	0.0	0.0	4.0	0.0	4.0	n/a
Total Sources	\$18.6	\$14.2	\$22.4	\$18.7	\$3.7	32%
% Change vs. Prior Year		-23%	58%	32%		

**Actual to Revised Budget variance of \$3.7 million or 32%:**

The budgeted revenues were intended to cover the Live Life well (LLW) and City Administration (COS) expenses; however, the premium rates, which generate the actual revenues, were not set appropriately to cover these costs, creating an unfavorable variance. The favorable variance in Other Revenue is attributed to the receipt of pharmacy rebates and other reimbursements that were not budgeted. The favorable variance in Transfers In is the result of \$3.0 million being transferred from the General Fund, and \$1.0 million from the Risk Fund in an effort to restore the loss of fund balance created by the premium holiday in FY 2010/11.

One Month: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	2.0	1.7	2.2	1.8	( 0.4)	-22%
Dental Claims	0.1	0.1	0.1	0.1	-	-
Provider Admin Fees	0.1	0.2	0.1	0.2	-	-
Behavioral Health Claims	-	-	-	-	-	-
Stop Loss Insurance	-	-	-	-	-	-
Live Life Well	-	-	-	-	-	-
Short Term Disability	-	-	-	-	-	-
Total Operating Expenses	<u>\$2.4</u>	<u>\$2.0</u>	<u>\$2.6</u>	<u>\$2.2</u>	<u>(\$0.4)</u>	<u>-18%</u>
Total Uses	<u>\$2.4</u>	<u>\$2.0</u>	<u>\$2.6</u>	<u>\$2.2</u>	<u>(\$0.4)</u>	<u>-18%</u>
% Change vs. Prior Year		-14%	28%	9%		

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Personnel Services - COS	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
Contractual - COS	0.1	-	0.1	0.1	-	-
Medical Claims	14.1	14.9	16.4	15.9	( 0.6)	-4%
Dental Claims	1.2	1.1	1.1	1.1	0.1	5%
Provider Admin Fees	1.5	1.4	1.3	1.4	0.1	8%
Behavioral Health Claims	0.4	0.4	0.4	0.4	-	-
Stop Loss Insurance	0.3	0.3	0.3	0.3	-	-
Live Life Well	0.1	0.3	0.3	0.4	0.2	34%
Short Term Disability	0.1	-	-	-	-	-
Total Operating Expenses	<u>\$17.9</u>	<u>\$18.6</u>	<u>\$20.1</u>	<u>\$19.8</u>	<u>(\$0.3)</u>	<u>-1%</u>
Total Uses	<u>\$17.9</u>	<u>\$18.6</u>	<u>\$20.1</u>	<u>\$19.8</u>	<u>(\$0.3)</u>	<u>-1%</u>
% Change vs. Prior Year		4%	8%	7%		

**Actual to Revised Budget variance of (\$0.3) million or (1%):**

Medical claims for prescription drugs are up 22% from the prior year attributable to an increased use of high-cost specialty drugs that have recently been developed to treat diseases such as cancer and rheumatoid arthritis.



## Privilege (Sales) & Use Tax Collections For March 2012

(For Business Activity in February 2012)

Appendix 1 contains information regarding the “actual” revenue collections from the 1.0 percent Privilege and Use Tax reflected in the General Fund, 0.2 percent dedicated Transportation Privilege Tax, 0.2 percent dedicated Preserve Privilege and Use Taxes, 0.15 percent additional dedicated Preserve Privilege and Use Taxes, and 0.1 percent dedicated Public Safety Privilege and Use Taxes, including adjustments for related license revenues, late collections and audits. While the report includes the actual year-to-date tax collections for the funds previously noted, only the General Fund portion (1.0 percent) of the tax is unrestricted and available for general government purposes.

The report shows a fiscal year Privilege and Use Tax (1.00% General Purpose) collections increase of 3 percent compared to the Budget, and an increase of 5 percent compared to the same period a year ago.

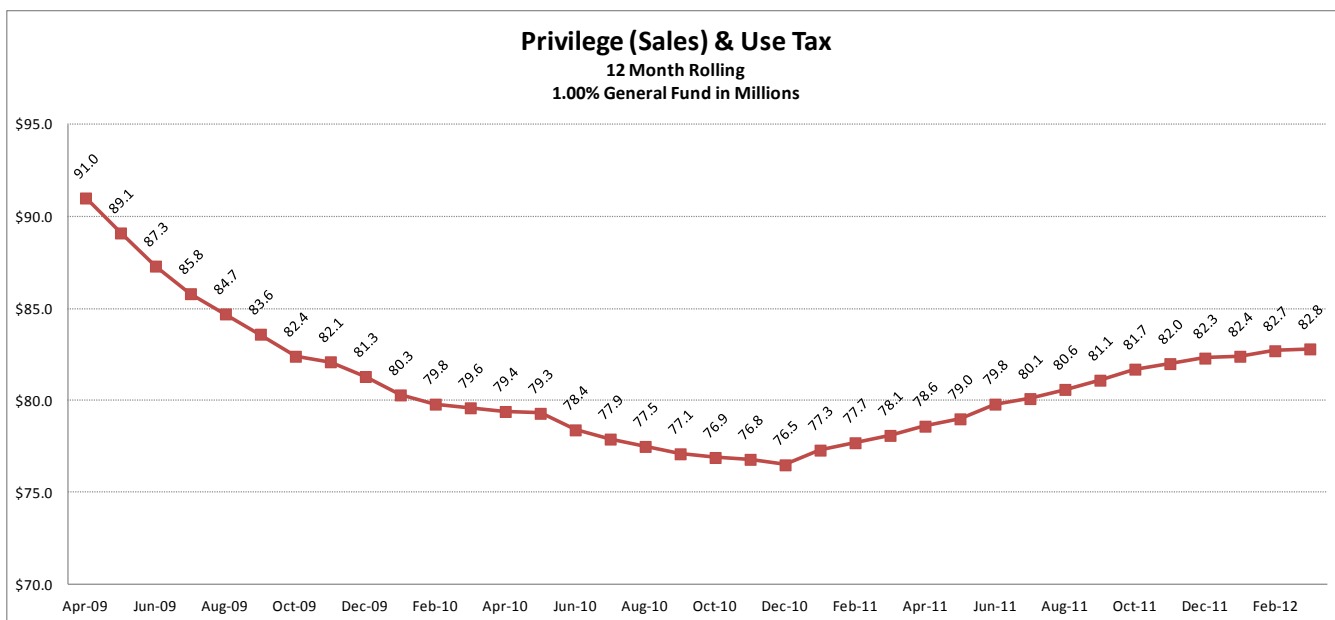
### Privilege (Sales) & Use Tax by Category and Fund

	Fiscal Year: Twelve Months				
	2009/10 <u>Actual</u>	2010/11 <u>Actual</u>	2011/12 <u>Adopted</u> <u>Budget</u>	2011/12 <u>Revised</u> <u>Budget</u>	2011/12 <u>Approved</u> <u>Adjustments</u>
<b>1.00% General Purpose</b>					
Rentals	\$11.1	\$11.7	\$11.7	\$11.7	\$0.0
Misc. Retail Stores	12.1	13.1	13.3	13.3	0.0
Major Dept. Stores	9.0	8.9	8.9	8.9	0.0
Automotive	8.4	9.0	9.2	9.2	0.0
Food Stores	6.0	6.1	6.2	6.2	0.0
Construction	8.2	7.6	7.9	7.9	0.0
Dining/ Entertainment	6.8	7.3	7.4	7.4	0.0
Other Taxable Activity	5.5	5.7	5.5	5.5	0.0
Hotel/Motel	4.0	4.1	4.2	4.2	0.0
Utilities	4.8	4.2	4.4	4.4	0.0
License fees, Penalty & Interest	2.4	2.4	2.1	2.1	0.0
Subtotal	<u>\$78.3</u>	<u>\$80.1</u>	<u>\$80.9</u>	<u>\$80.9</u>	<u>\$0.0</u>
0.10% Public Safety	\$7.5	\$7.8	\$7.8	\$7.8	\$0.0
0.20% Transportation	14.6	15.0	15.3	15.3	0.0
0.20% McDowell Preserve 1995	15.2	15.5	15.8	15.8	0.0
0.15% McDowell Preserve 2004	11.3	11.7	11.8	11.8	0.0
Total	<u>\$127.0</u>	<u>\$130.1</u>	<u>\$131.5</u>	<u>\$131.5</u>	<u>\$0.0</u>
% Change vs. Prior Year		2%	1%	1%	

Rounding differences may occur.

**Privilege (Sales) & Use Tax by Category and Fund**

Fiscal Year-to-Date: March 2012						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Favorable/(Unfavorable) Amount	Percent
<u>1.00% General Purpose</u>						
Rentals	\$9.1	\$8.7	\$8.9	\$8.7	\$0.2	3%
Misc. Retail Stores	8.8	9.4	10.2	9.7	0.5	5%
Major Dept. Stores	6.7	6.5	6.8	6.6	0.2	2%
Automotive	6.2	6.5	6.9	6.7	0.3	4%
Food Stores	4.4	4.5	4.7	4.6	0.1	2%
Construction	6.3	5.5	6.1	6.0	0.0	0%
Dining/ Entertainment	4.8	5.2	5.5	5.3	0.2	4%
Other Taxable Activity	4.1	4.2	4.3	4.1	0.2	5%
Hotel/Motel	2.6	2.7	2.8	2.8	0.0	0%
Utilities	3.8	3.4	3.4	3.3	0.0	0%
License fees, Penalty & Interest	2.0	1.9	2.0	1.8	0.2	11%
Subtotal	\$58.7	\$58.5	\$61.6	\$59.6	\$2.0	3%
0.10% Public Safety	\$5.6	\$5.7	\$6.0	\$5.8	\$0.2	3%
0.20% Transportation	10.9	10.9	11.6	11.3	0.3	2%
0.20% McDowell Preserve 1995	11.4	11.3	11.9	11.6	0.3	3%
0.15% McDowell Preserve 2004	8.5	8.5	8.9	8.7	0.3	3%
Total	\$95.0	\$94.9	\$99.9	\$96.9	\$3.0	3%
% Change vs. Prior Year		0%	5%	2%		



**Rental Sales Taxes**

The rental category includes rentals of commercial and residential real property and personal property rentals, (such as rentals of formal wear, DVD's, home health equipment, recreational goods, electronics, appliances, etc.)

**Actual to Revised Budget variance of \$0.2 million or 3%:** The favorable variance is the result of large audit payments received in July, October and January.

**Miscellaneous Retail Stores Sales Taxes**

This category includes small clothing stores, art galleries, luggage stores, home furnishing stores, jewelry stores, drug stores, hobby stores, household appliance stores, sporting goods stores, florists, computer stores, hardware stores, and pet supply stores.

**Actual to Revised Budget variance of \$0.5 million or 5%:** The favorable variance is due to retail sales increasing for electronics and clothing. Part of this could be related to the All Star game being played in the Phoenix area. In addition, a large audit payment was received in January.

**Major Department Stores Sales Taxes**

This category includes large department stores, warehouse clubs, supercenters, and discount department stores.

**Actual to Revised Budget variance of \$0.2 million or 2%:** The favorable variance is due to some major department stores performing better than expected. This could be related to the All Star game being played in the Phoenix area.

**Automotive Sales Taxes**

The automotive category includes automobile dealers, motorcycle dealers, automotive repair shops, tire shops, car washes, and car leasing companies.

**Actual to Revised Budget variance of \$0.3 million or 4%:** The favorable variance is due to the automotive dealers performing better than expected, Van Chevrolet adding Buick and GMC to their inventory and the opening of a used car dealer on McDowell Road.

**Food Stores Sales Taxes**

This category includes grocery stores, candy stores, meat markets and convenience stores.

**Actual to Revised Budget variance of \$0.1 million or 2%:** The favorable variance is due to increased sales at grocery stores and a decrease in the purchase of food with non-taxable food stamps.

**Construction Sales Taxes**

The construction tax is collected on all construction activity; commercial and residential; new and re-model. It also includes landscaping, painting, flooring installation, siding, roofing, concrete, plumbing, heating, electrical, framing, drywall, infrastructure, masonry, finish carpentry, etc.

**Actual to Revised Budget variance of \$0.0 million or 0%:** No explanation necessary.

**Dining/Entertainment Sales Taxes**

The restaurant category includes restaurants, bars, cafeterias, mobile food vendors, and caterers.

**Actual to Revised Budget variance of \$0.2 million or 4%:** The favorable variance is due to increased sales. Part of this could be related to the All Star game being played in the Phoenix area.

**Other Taxable Activity Sales Taxes**

This category includes movie theatres, golf courses, gyms, bowling centers, amusement arcades, interior designers, publishers, banks, doctors, lawyers, accountants, beauty salons, barber shops, personal goods repair shops, photographers, advertising, wholesalers, and manufacturers.

**Actual to Revised Budget variance of \$0.2 million or 5%:** The favorable variance is due to a wholesaler reporting a large amount of taxable sales in September and October.

**Hotel/Motel Sales Taxes**

This category includes lodging space rental on a short-term basis and other activities provided at the hotel/motel.

**Actual to Revised Budget variance of \$0.0 million or 0%:** No explanation necessary.

**Utilities Sales Taxes**

This category includes businesses that provide telecommunication (landlines and cellular), electricity, gas, or water services.

**Actual to Revised Budget variance of \$0.0 million or 0%:** No explanation necessary.

**License Fees, Penalty & Interest**

This category consists of application and license fees for Transaction Privilege (sales) tax licenses, interest, and penalties.

**Actual to Revised Budget variance of \$0.2 million or 11%:** The favorable variance is the result of a large audit payments received throughout the year.



## Glossary

To ensure legal compliance and financial management for the various restricted revenues and program expenditures, the City's accounting and budget structure is segregated into various funds. This approach is unique to the government sector. Fund accounting segregates functions and activities into separate self-balancing funds that are created and maintained for specific purposes. The General Fund is the City's chief operating fund and is used to account for all financial resources, except those that are legally required to be accounted for in another fund.

A **fund** is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### GENERAL FUND SOURCES

**Sales Tax** - Scottsdale's total City sales tax rate is 1.65 percent. Of that amount, 0.55 percent is dedicated to the specific purposes related to transportation and preservation (which are accounted for in Special Revenue Funds) and 0.10 percent is dedicated to public safety (accounted for in the General Fund). The remaining 1.0 percent of the sales tax is also accounted for in the General Fund and is available to fund basic municipal services such as police, fire, libraries, and parks. Sales tax receipts received in the current month are based on prior month activity. This general-purpose sales tax is the City's single largest revenue source. The sales tax category results can be found in Appendix 1.

**State Shared Revenues** - These revenues are derived from state shared sales taxes, income taxes (revenue sharing), and vehicle license taxes (auto lieu). On a per capita basis, sales taxes generated in Scottsdale tend to be higher than most other cities/towns due to higher wealth, consumer spending habits, and larger amounts of visitor/tourist spending. As directed by statute, the State distributes the shared portion of State sales taxes back to local governments based on population, not by the amount of sales taxes collected within the local jurisdiction.

**Charges for Services/Other** - Charges for Services include numerous revenues such as building permits, recreation fees, fire department fees, WestWorld fees, interest income, and property rentals. Also included are cost allocations from the General Fund to the enterprise funds. Certain components of this revenue source are subject to dramatic peaks and valleys from year to year.

**Property Taxes** – In the General Fund, property taxes are comprised only of the "Primary" property taxes levied on the assessed value of all property within the City to help pay for basic operations of the City. Secondary property taxes are not included in the General Fund as they must be used solely for General Obligation bond debt service payments. Increases in revenue from year to year reflect new property additions to the tax roll and Council actions to increase total revenue as legally allowed.

**Franchise Fees and In-Lieu Taxes** – This category represents revenues from utility and cable providers for their permitted use of the City's Rights-of-Way.

**Bed Taxes** – A transient lodging tax (bed tax) is applied to lodging room charges for stays of 29 days or less in hotels or short-term rentals. Effective July 1, 2010, the bed tax rate was increased from 3 percent to 5 percent, half of which must be spent on destination marketing and half of which remains in the General Fund to be used for Capital, Events Development, Administration and other.

**Transfers In** – For FY 2011/12, transfers in reflects funds received from the Capital Improvement Plan (CIP) Funds, the Enterprise Funds (In-Lieu Franchise Fees and In-Lieu Property Tax), the Fleet Fund (one time recapture of excess contributions) and Special Programs (one time). FY 2011/12 is the last year the In Lieu Property Tax transfer from the Water/Wastewater Enterprise Funds will occur.

## Glossary

### GENERAL FUND USES

**Personnel Services** include the salaries and wages (pay for time worked, vacation, and sick leave) plus the City's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance. It is also inclusive of vacancy savings, the medical and vacation leave accrual payouts that are made at the time of separation from the City, and position reclassifications.

**Vacancy Savings and Leave Payouts** is the net of the Citywide vacancy savings and the medical and vacation leave accrual payouts that are made at the time of separation from the City.

**Contractual Services** category includes expenditures for services performed by firms, individuals, or other City divisions.

**Commodities** classification includes supplies, repair and replacement parts, small tools, and maintenance and repairs.

**Capital outlays** include the purchase of land, the purchase or construction of buildings, structures, and facilities, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as capital outlay the expenditure must meet all of the following requirements: (1) have an estimated useful life of more than two years; (2) have a unit cost of \$5,000 or more; and (3) be betterment or improvement.

**Debt Service & Contracts Payable** category is debt payments related to Municipal Property Corporation (MPC) bonds where the City's excise taxes are pledged to meet debt service. It also includes contractual obligations related to development agreements (funded by sales tax rebates) which vary based on the actual sales tax collections.

**Transfers-Out** represents the authorized exchanges of cash between funds, divisions, departments and/or capital projects.

### OTHER SOURCES

**Transportation Fund** is considered a Special Revenue Fund, which is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Transportation Fund receives and expends the City's allocation of the Arizona Highway User Revenue Tax (HURF) as well as other transportation related revenues. The amount of HURF available to each City is allocated based on population. These monies must be used for street construction, reconstruction, maintenance, or transit. The State of Arizona requires the City to establish and maintain an accounting for Highway User Revenue Funds. The fund also accounts for the 1989 voter approved Transportation Privilege (Sales) Tax of 0.20 percent which is dedicated to funding transportation improvements and operations. Fifty percent of the Transportation Sales Tax is transferred to the Capital Improvement Fund for transportation related capital improvement projects.

**Enterprise Funds** are used to account for operations, including debt service, which are financed and operated similarly to private businesses, where the intent is that the service is self-sufficient, with all costs supported predominantly by user charges. The City maintains three Enterprise Funds to account for Water & Water Reclamation, Solid Waste, and Aviation activities.

#### **Water & Water Reclamation Funds**

This fund accounts for the transactions related to the City's water and water reclamation business activities, including operating revenue, expenditures and debt service payments.

- Water Service Rates are monthly water billings which consist of a base charge according to meter size and a variable charge for the amount of water consumed.
- Water Reclamation Service Rates are monthly charges based on the volume and strength of the sewage discharge.
- Non-Potable Water Rates includes the sale of surface water, reverse osmosis (RO) and effluent treated to irrigation standards. These different water types are delivered

## Glossary

to 23 Reclaimed Water Distribution System (RWDS) golf courses, 3 Irrigation Water Distribution System (IWDS) golf courses, the Gainey Ranch Golf Club, the WestWorld golf course and the Inlet/Silverado golf course.

- Miscellaneous Revenue includes rental income, miscellaneous reimbursements and other minor fees. The FY 2011/12 miscellaneous revenue forecast includes proceeds (\$12.M) expected from the sale of Planet Ranch.

### **Solid Waste Fund**

This fund accounts for the transactions related to the City's solid waste and recycling business activities, which includes operating revenues and expenditures.

- Solid Waste Rates include residential charges which are a flat fee per month and commercial charges which are based on the size of the container and the number of pickups per month. Additionally Solid Waste Rates include roll-off charges, uncontained service charges, recycling program charges, and household hazardous waste collection charges.

### **Aviation Fund**

This fund accounts for the transactions related to the City's aviation business activity at the Scottsdale Airport, which includes operating revenue and expenditures.

- Aviation Rates are charges for a variety of services provided to airport customers including Landing Fees, Airport/Airpark Fuel Fees, Transient Parking Fees, Fixed Tenant Rents, Percentage Fees for Aeronautical Business Permits (ABPs), Custom Fees and miscellaneous other charges.
- Privilege and Use Tax-Jet Fuel are charges earned from jet fuel sales in accordance with the Scottsdale Revised Code, Article IV, Section 422.

**Internal Service Funds** are used to account for the financing, on a cost-reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the City. The City maintains three Internal Service Funds to account for Fleet, PC Replacement and Self-Insurance activities.